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Report of the Trade and Development Board on its fifty-eighth session*

Geneva, 12 to 23 and 28 September 2011

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* The present document is an advance version of the report of the Trade and Development Board on its fifty-eighth session, held at the United Nations Office at Geneva from 12 to 23 and 28 September 2011. It will appear in final form, together with the reports of the fifty-first executive session, the fifty-second executive session and the fifty-third executive session of the Board, as *Official Records of the General Assembly, Sixty-sixth Session, Supplement No. 15* (A/66/15).

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Introduction

The fifty-eighth session of the Trade and Development Board was held at the Palais des Nations, Geneva, from 12 to 23 and 28 September 2011. In the course of the session, the Board held 12 plenary meetings, the 1071st to the 1082nd.

I. Action by the Trade and Development Board on substantive items on its agenda

A. Implementation of the outcome from LDC-IV: UNCTAD's contribution

Agreed conclusions 508 (LVIII)

The Trade and Development Board

1. *Takes note* of the report of the UNCTAD secretariat as contained in TD/B/58/7 and encourages it to continue to report to the Board, within UNCTAD's mandate, at its regular sessions, on the UNCTAD-wide implementation of the relevant provisions of the Istanbul Programme of Action for Least Developed Countries (LDCs) for the decade 2011-2020;

2. *Recalls* that the Istanbul Declaration and the Programme of Action provide a solid basis for a strengthened framework for partnership between LDCs and their development partners for the present decade;

3. *Reiterates* its appreciation to the Government of Turkey for hosting the Fourth United Nations Conference on LDCs and for the concrete deliverables the Government of Turkey announced during the Conference, including a commitment to host an "International Science, Technology and Innovation Centre" to assist the transfer and diffusion of technology and know-how to LDCs;

4. *Urges* LDCs and their development partners to pursue the expeditious, full and effective implementation of the agreed priorities and targets contained in the Istanbul Programme of Action in order to "overcome the structural challenges faced by the least developed countries to eradicate poverty, achieve internationally agreed development goals and enable graduation from the Least Developed Country category";

5. *Stresses* the need for building LDCs' productive capacities; enhancing their trade and investment opportunities, including by all countries honouring their respective commitments on duty-free and quota-free market access for LDCs, as provided for in the Ministerial Declaration of the Sixth World Trade Organization Ministerial Conference; and improving the quality of development aid, as well as addressing LDCs' vulnerability to economic shocks and natural disaster, in order to attain the objective of meeting the graduation criteria for half the LDCs by 2020;

6. *Emphasizes* the critical importance of ownership, leadership and primary responsibility of LDCs and, in this regard, encourages them to improve the quality of — and strengthen their capacity to formulate and implement — domestic policies, in order to accelerate development, including mainstreaming the priorities contained in the Istanbul Programme of Action, into their national policies and strategies, with international cooperation;

7. *Notes with concern* the continued commodity overdependence of LDCs, and requests the UNCTAD secretariat, in cooperation with other relevant agencies such as the Common Fund for Commodities and International Trade Centre, to assist LDCs to address the negative impact of commodity price volatility on their economies, inter alia, through diversification and value addition, as well as by integrating the commodity sector into their national development strategies;

8. *Urges* UNCTAD to continue, pursuant to paragraph 156 of the Istanbul Programme of Action, to address the trade and development challenges facing LDCs, including by mainstreaming the relevant provisions of the Istanbul Programme of Action into the work of the secretariat, and in its intergovernmental machinery, with a strengthened interdivisional coordination and follow-up mechanism, in accordance with the mandate of UNCTAD, within UNCTAD's existing resources and subject to the decisions of UNCTAD-XIII, to be held in Doha in April 2012;

9. *Encourages* member States in a position to do so to support the participation of LDCs in the Thirteenth United Nations Conference on Trade and Development (UNCTAD-XIII);

10. *Underscores* the importance of strengthened inter-agency cooperation between UNCTAD and other relevant organs and agencies of the United Nations system, in particular with the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, activities in support of the LDCs;

11. *Recognizing* that UNCTAD's LDC Trust Fund is an important vehicle for enabling technical cooperation and capacity-building activities in LDCs, and for the successful implementation of the Istanbul Programme of Action, and appreciating the contributions to the LDC Trust Fund, calls on development partners in a position to do so to continue to contribute to the LDC Trust Fund.

1081st plenary meeting
23 September 2011

B. Economic development in Africa: Fostering industrial development in Africa in the new global environment

Agreed conclusions 509 (LVIII)

The Trade and Development Board

1. *Recognizes* the increasing political commitment to industrial development in Africa and the important role that industrialization could play in boosting economic growth, creating employment and reducing poverty;

2. *Recognizes* the importance and the necessity to strengthen the initiatives undertaken by the African countries, in particular the New Partnership for Africa's Development (NEPAD) and Accelerated Industrial Development of Africa (AIDA), to drive their industrial development;

3. *Welcomes* the UNCTAD secretariat's *Economic Development in Africa Report 2011*, subtitled *Fostering Industrial Development in Africa in the New*

Global Environment, and commends the secretariat for collaborating with the United Nations Industrial Development Organization (UNIDO) in producing the report;

4. *Takes note* of the key message of the report — that Africa needs a new industrial policy to induce economic transformation, create employment and reduce poverty;

5. *Acknowledges* that the State, while designing industrial policy, should give priority to consulting with the private sector and entrepreneurs, amongst other key stakeholders. Recognizes the importance of the State as one of the industrial players. The State shall provide an enabling environment, and identify and remove the constraints facing these actors. Collaboration among all stakeholders is critical for a successful industrial policy;

6. *Expresses concern* that Africa still does not play a major role in either global manufacturing production or trade and that the region's share of global manufacturing value added and exports has been stagnant at about 1 per cent over the last 10 years;

7. *Notes* that promoting scientific and technological innovation, creating inter-sectoral linkages in the domestic economy, promoting entrepreneurship, and enhancing coherence between industrial and other economic policies, are important in fostering industrial development in Africa;

8. *Stresses* that the promotion of industry should not be achieved at the expense of the agricultural sector. Industrialization and agricultural development should be regarded as complementary processes;

9. *Stresses also* the importance of economic diversification in boosting growth and development in which international cooperation — including North-South, South-South, triangular and interregional cooperation — can contribute to accelerating economic development in Africa. In this regard, requests UNCTAD, within its mandate and its existing resources, to further strengthen its efforts in this area;

10. *Takes into account* that the current global environment as presented by the factors in chapter 5 of the Report presents challenges and opportunities for industrial development in Africa;

11. *Invites* Africa's development partners to continue and where possible to strengthen support for economic transformation of the region as an important step towards reducing vulnerability to shocks and, more generally, building productive capacities required for sustained growth and development, including employment and poverty reduction;

12. *Encourages* development partners to continue their cooperation, including ongoing commitments to development assistance, to enable economic transformation of African countries;

13. *Requests* UNCTAD, within its mandate and its existing resources, to continue to undertake policy-oriented research on economic development issues and challenges facing African countries and to strengthen efforts to disseminate its research findings.

1082nd plenary meeting
28 September 2011

C. Review of the technical cooperation activities of UNCTAD and their financing

Decision 510 (LVIII)

The Trade and Development Board

1. *Takes note* of the technical cooperation activities carried out by the UNCTAD secretariat in cooperation with the beneficiaries and development partners;

2. *Also takes note* of the reports prepared by the secretariat for the Working Party on the Strategic Framework and the Programme Budget;

3. *Further takes note* of the moderate increase in total delivery of the technical cooperation programmes and activities of UNCTAD;

4. *Expresses appreciation* for the support provided by bilateral and multilateral donors and invites donors in a position to do so to make multi-year contributions to UNCTAD technical cooperation in order to increase predictability in the planning and implementation of the relevant technical assistance programmes;

5. *Encourages* UNCTAD's increased emphasis on full implementation of technical cooperation, within available resources, in order to ensure results achieved as planned, results-based management with clear objectives, intended results and monitorable indicators for higher-level outcomes, especially in the case of those groups of countries listed in paragraph 212 of the Accra Accord that have so far benefited less from the technical cooperation activities;

6. *Emphasizes* the importance of a transparent, efficient, demand-driven and geographically balanced approach in UNCTAD's technical cooperation activities, and urges the secretariat to continue its efforts to promote greater coherence in the planning and implementation of technical cooperation programmes, including with UNCTAD's research and analysis and consensus-building pillars;

7. *Notes* that the 2010 expenditures in least developed countries (LDCs) amounted to 34 per cent of the total, while they were 42 per cent in 2009. Expresses its concern at the decrease registered in 2010 as compared to 2009 in the delivery of technical cooperation in support of LDCs, and urges the secretariat to continue to ensure that priority is assigned to LDCs;

8. In order to enable UNCTAD to respond to the demand for technical assistance from LDCs, including the support provided for the successful implementation of the Istanbul Programme of Action, *calls on* development partners in a position to do so to continue to contribute to the LDC Trust Fund;

9. *Recalling* its decisions 495 (LV), 498 (LVI) and 504 (LVII) and paragraphs 215 (c), 216 and 217 of the Accra Accord regarding the need for more coherence in the planning and implementation of UNCTAD technical cooperation programmes, in particular through the establishment of thematic clusters, *invites* donors in a position to do so to provide the secretariat with the necessary instructions to allow the consolidation process to continue, without compromising the scope, content and delivery of UNCTAD technical cooperation programmes;

10. *Thanks* the secretariat for the information provided regarding requests for technical cooperation, which is useful for identifying the needs and priorities of

beneficiaries and can guide donors in their decisions regarding the allocation of their contributions;

11. *Encourages* the secretariat to continue its activities in support of United Nations system-wide coherence, and notes with appreciation the leading role of UNCTAD within the United Nations Inter-Agency Cluster on Trade and Productive Capacity;

12. *Recalls* the Accra Accord and the relevant agreed conclusions of the Working Party, and expresses appreciation with regard to UNCTAD's assistance to and support of the Palestinian people.

1078th plenary meeting
19 September 2011

D. Report of the independent evaluator on UNCTAD's programme of assistance to the Palestinian people

Agreed conclusions 511 (LVIII)

The Trade and Development Board

Having considered the report of the independent evaluator on UNCTAD's programme of assistance to the Palestinian people as contained in document TD/B/58/6, the annexes to the report, as contained in the document TD/B/58/6/Add.1, and the management response to the evaluation as contained in document TD/B/58/CRP.2,

1. *Expresses its appreciation* to the independent evaluator for the evaluation report, to the secretariat for the support provided to the evaluation process, and to the Government of Norway for its financial support for the evaluation;

2. *Takes note* of the evaluation report and requests the secretariat to take into account the recommendations contained in the report of the independent evaluator in document TD/B/58/6 as well as the Trade and Development Board's deliberations at its fifty-eighth session under agenda item 11 (b) in its continuing implementation of the Accra Accord;

3. *Expresses its appreciation* to UNCTAD for its assistance to and support of the Palestinian people, and for its effort to secure adequate resources for the programme;

4. *Welcomes* the contributions made by donors to UNCTAD's programme of assistance to the Palestinian people.

1082nd plenary meeting
28 September 2011

E. Other action taken by the Board

Implementation of the outcome from LDC-IV: UNCTAD's contribution

1. At the Board's 1081st plenary meeting, on 23 September 2011, the Chair of Sessional Committee I, Mr. Wolfgang Rechenhofer of Germany, presented his report

to the Board. The Board took note of the report of Sessional Committee I as contained in document TD/B/58/SC.I/L.1 and endorsed the agreed conclusions in document TD/B/58/SC.I/L.2 (see section I.A).

Economic development in Africa: Fostering industrial development in Africa in the new global environment

2. At its 1082nd (closing) plenary meeting, on 29 September 2011, the Vice-Chair of Sessional Committee II, Ms. Rina Soemarno (Indonesia), presented her report to the Board. The Board took note of the report of Sessional Committee II as contained in document TD/B/58/SC.II/L.1 and endorsed the agreed conclusions in document TD/B/58/SC.II/L.2 (see section I.B).

Review of the technical cooperation activities of UNCTAD and their financing

3. At its 1078th plenary meeting, on 19 September 2011, the Board adopted the draft decision on the technical cooperation activities of UNCTAD and their financing contained in document TD/B/WP/236 (see section I.C).

Report on UNCTAD assistance to the Palestinian people

4. At its 1079th plenary meeting, on 20 September 2011, the Board took note of the report by the UNCTAD secretariat (TD/B/58/4) and the statements made by delegations and decided, in accordance with General Assembly decision 47/445, that the report of the Board on its fifty-eighth session to the General Assembly would include an account of the deliberations under this item. At its 1082nd (closing) plenary meeting, on 29 September 2011, the Board adopted the agreed conclusions in document TD/B/58/L.4 (see section I.D).

Preparatory process for the thirteenth session of the Conference

5. At its 1080th plenary meeting, on 22 September 2011, the Board decided to establish an open-ended Preparatory Committee, to be chaired by the President of the Board, and approved the draft provisional agenda for the thirteenth session of the Conference (TD/B/58/CRP.3).

Progressive development of the law of international trade: forty-fourth annual report of the United Nations Commission on International Trade Law (New York, 27 June-8 July 2011)

6. At its 1078th plenary meeting, the Board took note of the forty-fourth annual report of the United Nations Commission on International Trade Law (A/66/17).

Report of the Joint Advisory Group on the International Trade Centre UNCTAD/WTO on its forty-fourth and forty-fifth sessions (Geneva, 16-17 December 2010 and 30 June-1 July 2011)

7. Also at its 1078th plenary meeting, the Board took note of the reports of the Joint Advisory Group on its forty-fourth session (ITC/AG(XLIV)/238) and its forty-fifth session (ITC/AG(XLV)/242). The reports were presented by Mr. Hisham Bader (Egypt).

Report of the Working Party on the Strategic Framework and the Programme Budget

8. Also at its 1078th plenary meeting, the Board took note of the Report of the Working Party on the Strategic Framework and the Programme budget on its fifty-ninth session (TD/B/WP/ 236) and endorsed the agreed conclusions contained therein. At its 1081st plenary meeting, on 23 September 2011, the Board approved the membership of the Working Party for 2012 as follows: Albania, Belarus, Chile, China, Ethiopia, Islamic Republic of Iran, Kenya, Mexico, Nepal, Niger, Peru, Russian Federation and Viet Nam. Members of list B were invited to provide their nominations as soon as possible.

Report by the President of the Advisory Body set up in accordance with paragraph 166 of the Bangkok Plan of Action on the implementation of courses by the secretariat in 2010-2011 and their relevant impact; and the appointment of members of the Advisory Body for 2012

9. At its 1081st plenary meeting, the Board took note of the report of the Advisory Body as contained in TD/B/58/CRP.4. The Board elected members of the Advisory Body for 2012 as follows: Mr. Maung Wai (Myanmar), Mr. Dinesh Bhattarai (Nepal), Mr. Yahya Al-Wahaibi (Oman), Mr. Idriss Jazairy (Algeria), Mr. Shree Baboo Chekitan Servansing (Mauritius), Mr. Murad Najafbayli (Azerbaijan), Mr. Aziz Põlozhani (the former Yugoslav Republic of Macedonia), Mr. Mario Matus (Chile), Mr. Roberto Flores Bermúdez (Honduras), and Mr. Wayne McCook (Jamaica).

Review of the calendar of meetings

10. Also at its 1081st plenary meeting, the Board approved the calendar of meetings for the remainder of 2011 and the indicative calendar for 2012 contained in document TD/B/58/CRP.1.

Review of the lists of States contained in the annex to General Assembly resolution 1995 (XIX)

11. Also at its 1081st plenary meeting, the Board welcomed South Sudan as a member of UNCTAD. The updated membership list was before the Board in TD/B/INF.222.

Administrative and financial implications of the actions of the Board

12. Also at its 1081st plenary meeting, the Board was informed that the actions taken at its fifty-eighth session had no financial implications.

Adoption of the report on credentials

13. Also at its 1081st plenary meeting, the Board adopted the report of the Bureau on credentials of representatives participating in the fifty-eighth session of the Board, as contained in document TD/B/58/L.2.

Provisional agenda for the fifty-ninth session of the Board

14. Also at its 1081st plenary meeting, the Board decided to refer consideration of this item to the Bureau of the Board. The provisional agenda will be submitted for approval at an appropriate time.

Hearing with civil society

15. Also at its 1081st plenary meeting, the Board took note of the Report on the third UNCTAD Public Symposium as contained in document TD/B/58/8.

Provisional agenda for the fifty-fourth executive session of the Trade and Development Board

16. At its 1082nd (closing) plenary meeting, the Board adopted the provisional agenda as contained in document TD/B/58/L.3, with the understanding that there would be further consultations on the outcome for agenda item 2.

Adoption of the report

17. Also at its closing plenary meeting, the Board adopted its report as contained in documents TD/B/58/L.1 and Add.1-Add.6, TD/B/58/SC.I/L.1, TD/B/58/SC.I/L.2, TD/B/58/SC.II/L.1, TD/B/58/SC.II/L.2, TD/B/58/L.3 and TD/B/58/L.4.

II. President's summary[1]

A. Opening statements

18. The following speakers made opening statements: Mr. Luis Manuel Piantini Munnigh (Dominican Republic), President of the Trade and Development Board at its fifty-seventh session; Mr. Mothae Anthony Maruping (Lesotho), President of the Board at its fifty-eighth session; Mr. Supachai Panitchpakdi, Secretary-General of UNCTAD; the representative of Zimbabwe, speaking on behalf of the Group of 77 and China; the representative of Ghana, speaking on behalf of the African Group; the representative of Thailand, speaking on behalf of the Asian Group; the representative of Hungary, speaking on behalf of Group D; the representative of Mexico, speaking on behalf of the Group of Latin American and Caribbean States; the representative of Nepal, speaking on behalf of the Least Developed Countries; the representative of Paraguay, speaking on behalf of the Landlocked Developing Countries; the representative of the European Union; the representative of China; the representative of Japan; the representative of Switzerland; the representative of the United States of America; the representative of Honduras; and the representative of Indonesia.

19. The President of the Trade and Development Board at its fifty-seventh session noted that 2011 had been a productive year, citing as highlights (a) the Mid-term Review of the implementation of the Accra Accord; (b) the selection of themes and

[1] Electronic versions of statements by delegates are available in PDF format on the UNCTAD website in the form and language in which they were received (www.unctad.org/tdb58/statements). Audio files (floor/English) of general statements and statements made at the high-level segment, among others, are also available on the website (www.unctad.org/tdb58/audio).

sub-themes for UNCTAD-XIII, to take place in April 2012 in Doha, Qatar; and (c) a full cycle of meetings reflecting the Board's mandate. He urged member States to adopt a resolution to be brought to the United Nations General Assembly addressing the problem of price volatility and speculation in commodity markets.

20. The President of the Trade and Development Board at its fifty-eighth session began by praising his predecessor. He said that the preparations for the upcoming UNCTAD-XIII would be a challenge, but his first order of business was to have a successful session of the Board. Even with such a busy schedule, however, he hoped to hold topical meetings focusing on the priorities of member States.

21. The Secretary-General of UNCTAD said that UNCTAD-XIII would provide an opportunity to shed light on key issues and enable the UNCTAD secretariat to produce a road map for the global economy, with sustainable development the key target. Fiscal retrenchment was not the solution to the world's current problems, he said; instead, governments should move towards inclusive growth and development to restore balance to the global economy.

22. Delegates noted that developing countries had recovered relatively quickly from the recent economic crisis. One delegate noted that developing countries in Asia had recovered more quickly than developed countries. Another noted that Indonesia's growth rate was 6.4 for 2011, and the unemployment rate had dropped from 9.1 per cent in 2007 to 6.8 per cent in the fist half of 2011. Still, it was agreed that the world economy remained fragile and uncertain.

23. The deadlock in the Doha Round of trade negotiations was a cause of concern to several speakers, but some expressed the hope that UNCTAD-XIII could help invigorate the development agenda. One delegate noted the fall in donations from donor countries and said more focus should be paid to avoiding duplication of efforts.

24. Several delegates welcomed the launch of UNCTAD publications, including the *Trade and Development Report 2011*, the *World Investment Report 2011*, *Economic Development in Africa 2011*, and others.

25. It was felt that UNCTAD should continue its work on productive capacities, competitiveness, entrepreneurship, South-South integration, research and analysis, support to the agricultural sector and investment for development.

26. Several delegates called on UNCTAD to continue to support productive capacities in Africa and to enhance UNCTAD's efforts toward a more equitable and development-friendly global economic, trading and financial system. Others said that UNCTAD should focus on landlocked developing countries. One delegate called on UNCTAD to continue its support to Haiti, the only least developed country (LDC) in Latin America and the Caribbean. Some delegates felt that not enough countries were graduating from LDC status, and called on UNCTAD to ensure that its work better reflected changes that had been occurring in developing countries over the previous four decades.

27. Delegates noted that stable capital flows were essential for the recovery of all nations. One delegate warned against the dangers of protectionism. Another pointed to the volatile currency markets.

28. Delegates called on UNCTAD to support the multilateral trading system, which was underpinned by regional trade agreements.

29. One delegate noted four broad areas of interest for consensus-building: (a) realistic and evidence-based models and approaches to development; (b) an inclusive international economic system; (c) a strengthened role of the State; and (d) strengthened capacity-building for developing countries.

B. High-level segment: Volatile capital flows and development

(Agenda item 3)

30. According to participants, the global economic crisis revealed that the international monetary system had become obsolete in the face of new developments and reality on the ground. Governments were faced with the mutually impossible task of reconciling inflation, exchange rate and interest rate goals, and some of the strategies through which they had tried to resolve this "trilemma" had in turn created fresh problems. For example, holding large foreign exchange reserves helped create a safety net or protection against exchange rate volatility or disequilibrium, but it was also costly and wasteful. Similarly, the lack of an international coordination mechanism for exchange rates meant that countries could not put in place sounder measures to manage the liquidity crisis.

31. There was some debate about the optimal level of exchange rate flexibility, and also about the extent to which current large-scale capital flows into emerging and developing economies were investment-related or were only aiming at seeking short-term speculative gains. There appeared to be consensus, however, that very-short-term capital flows created instability in all markets, a problem which needed to be tackled. The experiences of Argentina and Brazil showed some of the challenges involved in maintaining macroeconomic stability in the face of large-scale capital inflows and, even more importantly, their abrupt unwindings and reversals.

32. G-20 efforts to deal with the "burning issue" of developing a more effective collective and cooperative approach were also described. Several speakers supported the view that more international coordination was needed so that national governments did not have to rely only on the imperfect mechanisms of unilateral policies or controls. UNCTAD's work in this respect was cited as having made a good contribution to the debate. The *Trade and Development Report 2011* was cited as providing a valuable and detailed analysis of causes and effects of destabilizing currency fluctuations and the recommendations to manage floating exchange rates. UNCTAD was viewed as a more inclusive forum where those issues could be addressed.

33. Some delegates questioned the effect of the renewed stimulus efforts in the United States on the economic recovery, raising concerns that they could provoke further uncertainty and impact negatively on the real economy. For example, exchange rate misalignments could wipe out vulnerable sectors of national economies that could not compete, and when exchange rates returned to normal levels, it would be too late to resurrect the sector. The Brazilian and the Swiss cases were cited as examples where such "wrong prices" were affecting the real economy, forcing authorities to act.

34. Speakers included the Ambassador of France and the Ambassador of the Dominican Republic, in addition to the panellists: Mr. Gilbert Terrier of the

International Monetary Fund; Mr. Carlos Cozendey, Secretary for International Affairs for Brazil's Ministry of Finance; Dr. Sergio Chodos, Director of the Central Bank of the Argentine Republic; UNCTAD Secretary-General Mr. Supachai Panitchpakdi; and Mr. Heiner Flassbeck, Director of UNCTAD's Division on Globalization and Development Strategies.

C. Interdependence: Addressing trade and development challenges and opportunities after the global economic and financial crisis

(Agenda item 4)

35. Under this agenda item, the Trade and Development Board reviewed the state of the world economy and pending challenges. Many countries had recovered quickly from the initial effects of the crisis, but great vulnerability remained. Momentum for decisive action had been lost and there was a risk of lapsing into business as usual. Re-evaluating the role of the State and reforming the international economic architecture were paramount. Re-regulation and strengthened supervision of the financial sector were directly needed for global stability.

36. Regarding policy implications, the debate focused on five issues:

(a) Many countries' current high public debt to gross domestic product (GDP) ratios resulted from the crisis, rather than being its reason. It was felt that long-term debt consolidation should be attained through rapid growth, rather than debt deflation, hyperinflation or demand-dampening premature fiscal austerity measures. Specific growth policies had to be supplemented by monetary and financial policies that kept long-term interest rates below GDP growth rates;

(b) Widespread adoption of incomes policy, required to spur domestic demand through consumption, would necessitate moving away from a business model focused on maximizing shareholder value. Alternatives would include tax policy focused on raising disposable income and widespread adoption of minimum wages, combined with wage rules related to productivity growth;

(c) Recent price volatility in commodities was due mainly to financialization, which had led to speculation, much more than was due to supply and demand. Greater transparency and regulation were needed. Increased investment, with adequate and appropriate support, was considered key for sustained supply expansion;

(d) The sustainability of current-account imbalances was determined less by their size than by how they were financed. Real exchange-rate appreciation in surplus countries could help unwind imbalances without triggering global deflation;

(e) International trade was subject to rules while exchange rates evolved in a "non-system". UNCTAD's proposal for multilateral rules-based managed floating would be one option for reform.

37. Speakers agreed that moving out of the current crisis required the coordination of growth-enhancing macroeconomic policies. Experience from Argentina since 2003 highlighted that a number of monetary and fiscal policy reforms could be used to stimulate growth. In the longer term, attaining sustained inclusive growth was crucial. The G-20 process had so far had only modest outcomes. Given its universal membership and integrated mandate, UNCTAD was continuing to play an important

role in consensus-building regarding global interdependence and the interrelated issues of trade, investment, finance and development.

D. Implementation of the outcome from LDC-IV: UNCTAD's contribution

(Agenda item 5)

38. There was an acknowledgement that the Istanbul Programme of Action (IPoA) provided a solid basis for strengthened partnership with least developed countries (LDCs). There was also an appreciation of the challenges and opportunities of meeting the agreed goals and targets contained therein. This particularly related to the objective of "enabling half of the number of LDCs to meet the criteria for graduation by 2020", which may well have been regarded as extremely ambitious. However, there was a convergence of views that this target conveyed a sense of urgency and a strong desire of LDCs to break away from aid dependency and the poverty trap.

39. The intensive exchange of views of the IPoA was based on the key targets and goals of UNCTAD's report as contained in TD/B/58/7:

(a) The full and effective implementation of the IPoA as an urgent priority;

(b) A paradigm shift in development policies and strategies at the national and international levels;

(c) Enhanced and expanded international support measures in favour of LDCs; and

(d) Mobilization of finance for development, including from domestic sources, in order to match the ambitious goals of the IPoA.

40. Participants particularly urged LDCs and their development partners to (a) ensure that the commitments of the IPoA were mainstreamed into development strategies at both the national and the international levels; (b) enhance LDCs' productive capacities — including science, technology and innovation — as well as improve agricultural productivity and address the problems of commodity overdependence through diversification and value addition; and (c) put in place mechanisms and support structures to reduce the vulnerability of LDCs to external shocks and crises. Members discussed how to enhance LDCs' policymaking and policy ownership capacities. There were calls for measures to be taken, including through an early harvest of the Doha Round and by granting duty-free and quota-free market access to LDCs. There were also calls to improve the quality and quantity of aid, enhance domestic resources mobilization and strengthen efforts to increase external financial flows such as foreign direct investment (FDI) and remittances to LDCs.

41. A number of members called on UNCTAD to contribute to the implementation of the IPoA through UNCTAD's three pillars of consensus-building, policy-oriented analysis and technical cooperation. It was felt that the work of UNCTAD should, in particular, provide alternative approaches to national and international development policies. This should include (a) providing a conceptual and operational framework for mainstreaming productive capacities; (b) enhancing resource mobilization; (c) addressing issues of trade, commodities and food security; and (d) reviewing

graduation and smooth transition mechanisms. There were also calls for the regular replenishment of UNCTAD's LDC Trust Fund.

E. Economic development in Africa: Fostering industrial development in Africa in the new global environment

(Agenda item 6)

42. The deliberations of the Trade and Development Board under this agenda item centred on the *Economic Development in Africa Report 2011*, subtitled *Fostering Industrial Development in Africa in the New Global Environment*. It was pointed out that this year's Report had special significance for two reasons: First, it was published jointly by the UNCTAD secretariat and the United Nations Industrial Organization (UNIDO); second, it dealt with industrialization, which was critical to addressing increasing unemployment in Africa. The main message of the *Report* was that Africa needed a new industrial policy to induce structural transformation, create employment and reduce poverty in the region. It built on the 2009 and 2010 *Reports* and provided continuity to UNCTAD's work on building productive capacities in Africa.

43. The new proposed industrial policy required the State to provide support to entrepreneurs, but also held them accountable for non-performance. It also called for credible mechanisms for monitoring and evaluation, and for dialogue with the private sector. Other important policy recommendations of the *Report* included the promotion of scientific and technological innovation, the creation of inter-sectoral linkages in the domestic economy, the development of government capabilities, the promotion of entrepreneurship, the strengthening of regional integration, and the maintenance of political stability in the region.

44. Many participants welcomed the recommendations made in the *Report* and also expressed appreciation to UNCTAD and UNIDO for the thorough and excellent analytical work contained in it. Several delegates requested UNCTAD to translate the *Report* into Spanish for easy dissemination in countries in Latin American.

45. Several participants stressed the importance of integrating agricultural development into industrial strategies to ensure inclusive growth. The interdependence between agriculture and industry was deemed to be critical, especially in sub-Saharan Africa, where a large part of the workforce was engaged in agriculture. Against this backdrop, participants stressed the need for pro-labour industrial policies in Africa.

46. Some participants pointed out that Africa needed stable and predictable sources of finance for industrialization and long-term development. Africa was highly dependent on external sources of finance that were highly volatile. Dependence on external sources of finance increased macroeconomic volatility and also rendered African countries vulnerable to external shocks. It was pointed out that one way for African countries to reduce their dependence on external sources of finance was to strengthen domestic resource mobilization, which in turn necessitated the building of productive capacities, including industrial capacities. In that context, participants urged UNCTAD to continue its research on African development, paying particular attention to issues linked to structural

transformation, economic diversification, industrial and trade policies in a changing global environment, regional integration and domestic resource mobilization.

47. Participants encouraged African countries to draw from the experiences and lessons learned from other regions, such as Asia and Latin America. South-South cooperation and triangular cooperation, in addition to regional integration, were considered important vehicles for advancing industrial development in Africa, and it was felt that they should be viewed as complementary to North-South partnerships.

48. Several participants recognized the importance and the necessity of strengthening the initiatives undertaken by regional organizations in Africa, in particular the New Partnership for Africa's Development (NEPAD) and Accelerated Industrial Development of Africa (AIDA), to drive their industrial development.

49. Coherence between trade policies and industrial policies was recognized as critical. The narrowing of policy space due to emerging international trade rules was cited as a concern, and several participants wondered whether Africa could have viable industrial strategies, given current international trade rules. In that regard, some participants stated that industrial policies should take into account the realities posed by globalization, but that globalization should also be seen as providing opportunities — and not just challenges — for Africa.

50. There was also the view that industrialization was not determined by domestic endowments alone. Government policies were also important in determining which industrial paths and strategies were feasible. In that regard, it was pointed out as an example that the Kingdom of Lesotho had a strong textile sector, even though it did not grow cotton, while Switzerland had a very competitive chocolate industry, though it did not grow cocoa.

51. Several delegates argued that the facilitation of intra-African trade should be encouraged in order to create markets for African industrial products. Domestic, regional and international markets should also be explored in trade promotion and trade expansion measures as part of industrial policies. Participants acknowledged the role of modern services in the development process. The importance of timing or sequencing of industrial policies and strategies was also highlighted by several participants.

52. Participants also highlighted "brain-drain" and excessive capital flight as factors inhibiting industrial development.

53. Suggestions were made for UNCTAD and UNIDO to elaborate capacity-building programmes, in collaboration with regional institutions such as the United Nations Economic Commission for Africa and the African Union Commission, to assist African countries in designing and implementing industrial policies.

F. Evolution of the international trading system and of international trade from a development perspective

(Agenda item 7)

54. Participants agreed on the power of trade to spur economic growth and socio-economic development into vibrancy. The voracious import demand of emerging economies drove global recovery and job creation in 2010. Many developing countries, particularly LDCs and small and vulnerable economies (SVEs), faced

structural weaknesses, requiring urgent cooperative actions. South-South trade and cooperation were increasingly a real source of economic growth and poverty reduction. A "growth crisis" in 2011, accompanied by imbalances, debt and unemployment, underscored the case for development-led globalization with benefits equitably shared by all.

55. The multilateral trading system (MTS) had served as a bulwark against protectionism. Post-crisis protectionism, including green protectionism, needed to be resisted. There was unanimous support for reenergizing multilateralism in trade, as the serious impasse currently facing the Doha Round of trade negotiations risked inflicting long-term adverse impact. Many stressed the need for mainstreaming in the MTS greater inclusiveness, equity and fairness, and policy space. It was felt that the forthcoming Eighth World Trade Organization (WTO) Ministerial Conference should deliver positive steps forward, such as addressing "twenty-first century issues" (e.g. trade and exchange rates, climate change, food and energy security, and employment). Harvesting LDC "deliverables" (duty-free and quota-free market access, cotton, services waivers, and eliminating agricultural export subsidies) was considered necessary to help LDCs implement the Istanbul Plan of Action. The importance of removing the burdensome nature on LDCs of the WTO accession process was highlighted.

56. Deeper regional trade agreements (RTAs), partly driven by the requirements of regional value chains, were a major challenge for developing countries, as weaker countries were sidelined, and policy space constrained. RTAs led to the fragmentation of the international trading system (ITS), which called for development coherence between the MTS and RTAs.

57. Agriculture was at the centre of inclusive development. Recurrent food crises underscored its relevance to the Millennium Development Goals (MDGs), poverty, rural development, employment and hunger. Past policy bias needed to be corrected to increase agricultural investment and production, and facilitate higher value addition and diversification as part of structural transformation, including into services, within an integrated development strategy. The importance of sustainable agriculture was stressed.

58. Agriculture remained highly distorted and was among the major stumbling blocks in the Doha Development Agenda negotiations. Trade-distorting subsidies, tariffs and non-tariff barriers remained to be addressed. While trade contributed to food security, high import dependence represented a risk, as supply could be disrupted by market dysfunction or export restrictions. This required comprehensive national and international policy frameworks, particularly social safety nets and productive capacities.

59. Participants welcomed the secretariat's background note, "Evolution of the international trading system and of international trade from a development perspective" (TD/B/58/3). In the post-UNCTAD-XIII work programme, UNCTAD was requested to continue to play an enhanced role in monitoring and assessing, and building consensus on, development dimensions of international trade and the ITS, and supporting proactive national trade policy frameworks, services policy reviews, and regulatory and institutional frameworks and standards (e.g. Phyto-sanitary Measures/Technical Barriers to Trade Agreement).

G. Development strategies in a globalized world: A new role for the government and fiscal policy

(Agenda item 8)

60. Discussions in formal and informal sessions focused on the new role for government and fiscal policy that has emerged since it became clear that monetary policy alone could not create the conditions for economies to recover from crisis and to reach a more equitable and sustainable growth path. Delegates agreed that the need to take effective action was essential, as "business as usual" could not continue. Any response had to involve a leading role for the State as a foundation for multilateral cooperation, alongside its national policy-making role and provide functional and responsive institutions. In addition, the capacity and ability of the State to enact appropriate legislation needed to be ensured.

61. Delegates heard that the global economy had entered a danger zone threatened by a relapse, as manifested by pronounced market instability. The initial recovery had been fuelled by expansionary fiscal policies that had since either expired or were being wound down in many countries. To one representative's question — "Are we in a post-crisis situation?" — panellists agreed that, even though the world economy was technically no longer in recession, the crisis was not over yet and many fundamental systemic issues still needed to be addressed. Developed economies had begun to stagnate with the waning fiscal stimuli and ineffective monetary policy, and while some developing economies were resilient, showing only a slowdown in growth rates, they were, however, not able to pull the rest of the world economy out of the crisis, due to their still relatively small share of the global economy.

62. One presentation commented on the fact that, despite the relative success of the fiscal policies used at the outset of the crisis, countries had not been comfortable with the new paradigms that these posed. They seemed instead to remain more comfortable with entrenched ideas that were reinforced by traditional institutions — even if those did not work. However, he said, countries were quickly running out of instruments to respond to the crisis and it was very risky to blindly follow traditional recommendations of fiscal consolidation. Other speakers concurred that austerity measures would not provide the short-term stimulus that was needed to overcome diminished demand, and so could not entice the growth in investment, of wages and economic growth that was needed; nor would it solve the prevalent debt problem. Similarly, the crisis had exposed the limitations of financialization as the driver of global growth. This was dangerous for the global economy, and no country could be de-coupled entirely from the adverse effects of the crisis.

63. During the informal discussions, members of the Board questioned the extent to which developed economies still retained sufficient policy space in which to put in place the stimulus measures that were needed. With the exception of a few extreme cases, it was argued that policy space in most developed countries was not exhausted, in part because the very low interest rates that governments still faced meant that borrowing costs remained cheap and there was no risk of crowding out as long as the private sector had not taken the baton. (On the other hand, speakers also noted that some low and middle-income countries were experiencing persistent external debt problems. This was seen as pointing to the limits of the existing arrangements for dealing with debt problems.)

64. The panellists in the debate agreed that the focus should be primarily on overall economic growth rather than specifically on the reduction of fiscal deficit, if the aim was to reach fiscal consolidation. They stressed that, without economic growth, it would be difficult to reduce public-debt-to-GDP ratios, owing to the negative effects of the tightening measures on economic growth, and that fiscal consolidation should be the end and not the means. Therefore, it was generally agreed that there was a real need to promote growth-friendly fiscal policies.

65. In this regard, panellists underlined the way that fiscal multipliers varied according to the types of public interventions. It was noted that (a) public expenditures usually had greater effects than tax cuts; (b) some forms of public expenditure had greater growth implications than others; and (c) tax cuts for the poor had greater demand-boosting impacts than tax cuts for the rich. This topic was also discussed during the formal session, where the experience of Asia during the recent crisis illustrated the benefits of a "functional finance" approach to fiscal policy, which recognized different multiplier effects of spending and taxing rather than focusing just on budget balances. This helped Asia to boost domestic demand and contribute to global recovery.

66. The Board also discussed the need for further reforms of the financial sector. Volatile exchange rate movements hindered the recovery efforts of some developed and developing countries. There was also a broader need for reform in the international economic architecture. Delegates called on UNCTAD to continue to engage in discussions and analysis of trade and development implications on this topic. Several speakers commented that the United Nations and UNCTAD were the most legitimate international forums for discussions on this topic.

H. Investment for development: Implications of non-equity forms of transnational corporations' operations

(Agenda item 9)

67. Following opening remarks by Mr. Anthony Mothae Maruping, President of the Trade and Development Board, there was an opening statement by Mr. Supachai Panitchpakdi, Secretary-General of UNCTAD, and a summary of the *World Investment Report 2011* by Mr. James Zhan, Director of UNCTAD's Division on Investment and Enterprise. The Report's theme of non-equity modes of international production (NEMs) was taken up by panellists and followed by an interactive debate. Experts on the panel spoke in the following order: (a) Mr. Cristino L. Panlilio, Ministry of Trade and Industry, Philippines; (b) Mr. Hugo Sigman, Chemo Group, Argentina; (c) Ms. Harriet Lamb, The Fairtrade Foundation, United Kingdom; and (d) Mr. Mark Casson, University of Reading, United Kingdom.

68. The meeting commended UNCTAD for the timely publication of the *World Investment Report 2011: Non-Equity Modes of International Production and Development*. The Report highlighted that while global FDI flows in 2010 rose to $1.2 billion, these were still much lower than the pre-crisis peak of $2 billion in 2007. Moreover, inflows were uneven: some developing regions performed well, while others such as Africa and landlocked developing countries experienced a fall in FDI inflows. For the first time, FDI flows to developing countries exceeded those to developed countries; moreover, South-South investment continued to increase significantly. Investment treaties continued to expand, making the system complex

for governments and investors alike. At the same time, elements of investment protectionism were on the rise.

69. The panel presentations and subsequent discussion centred on non-equity modes of transnational corporations' international operations, including their significance, characteristics, main players and development implications. It was acknowledged that in today's world, policies aimed at improving the integration of developing and transition economies into global value chains (GVCs) must look beyond FDI and trade, specifically at contractual modes such as NEMs. In particular, panellists elaborated on NEMs in key areas such as business process outsourcing, contract farming and licensing. These concrete examples underlined the dynamic rise of various types of NEMs — other types included contract manufacturing and franchising — and the vibrant opportunities they provided for developing countries and companies to enter GVCs, or expand further into them. Governments' investment strategies needed to incorporate both NEMs and FDI.

70. The risks and challenges associated with NEMs were also highlighted. The meeting agreed that these risks needed to be mitigated and governments could play a role in the promotion of NEMs. The meeting further emphasized the importance of maximizing the benefits while minimizing the costs of NEMs, including the necessity of striking a balance between the interests of different stakeholders, for instance to protect farmers, workers and the environment.

71. A number of general and specific recommendations were made by delegations. In particular, UNCTAD was requested to:

(a) Continue research and analytical work on FDI and NEMs, including their use by developing countries in entering GVCs;

(b) Identify policies and best practices to maximize the benefits and minimize the costs of NEMs to developing and transition countries;

(c) Continue work on other aspects of FDI, including best practices and good governance for the promotion of FDI, carrying out investment policies reviews and assisting vulnerable economies in preparing investment guides; and

(d) Continue to provide technical assistance on the collection of FDI statistics, research and analysis.

I. UNCTAD's contribution to the implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic and social fields

(Agenda item 10)

72. The Deputy Secretary-General of UNCTAD, Mr. Petko Draganov, highlighted some of the key areas in which UNCTAD had made significant contributions to the implementation of the outcomes of major conferences and summits in the economic and social fields. In that regard, he drew attention to the research and analysis provided by UNCTAD to the Fourth United Nations Conference on the Least Developed Countries (LDC-IV) as well as in the preparatory process for the United Nations Conference on Sustainable Development (Rio+20). UNCTAD also provided an opportunity for discussing the importance of international legal instruments for

transport and trade under the framework of the *Review of Maritime Transport* and the Multi-year Expert Meeting on Transport and Trade Facilitation. Concerning FDI, UNCTAD played a key role in the formulation of new investment policies by organizing the World Investment Forum (WIF) 2010. UNCTAD also continued assisting developing countries in reviewing their investment-related policies through investment policy reviews and related studies. The Deputy Secretary-General also highlighted the assistance provided by UNCTAD to debtor countries in their preparations for negotiations on rescheduling or restructuring of their bilateral official debt in the framework of the Paris Club. Finally, he encouraged delegates to make suggestions on how UNCTAD could improve its contribution to the implementation of the outcomes from major United Nations summits.

73. Representatives of the following countries made statements: Zimbabwe (on behalf of the Group of 77 and China), Mexico (on behalf of the Group of Latin American and Caribbean Countries), Viet Nam (on behalf of the Asian Group), Ghana (on behalf of the African Group), Nepal (on behalf of the Least Developed Countries) and Cuba.

74. Many delegations stressed the importance of the preparations for UNCTAD-XIII and the relevance of contributing towards Rio+20 as well as to other development-related processes underway. Delegations appreciated the participation of UNCTAD's Secretary-General in the High-Level Advisory Group on Climate Change Financing. Other delegations acknowledged the importance of UNCTAD's assistance in finding the best ways to manage the impacts of high energy prices and climate change-related impacts.

75. Some delegations pointed out the necessity of articulating effectively development and economic themes for strengthening the possibilities to achieve the MDGs. Delegations also congratulated the organization of the WIF 2010, which provided inputs for the formulation of supportive investment policies to achieve the MDGs. However, other delegations expressed concerns about the limited possibilities of mobilizing internal and external resources for development, in particular in less advanced economies, as a result of the economic and financial crisis. In this line, delegations acknowledged the vital role that UNCTAD could play in redesigning a resilient, transparent, stable and inclusive financial system.

76. Other delegations also encouraged UNCTAD to continue its efforts to implement the Istanbul Programme of Action for LDCs. One delegation requested the adoption of emergency measures to fight against famine in the Horn of Africa and encouraged increasing South-South cooperation.

J. Report on UNCTAD assistance to the Palestinian people

(Agenda item 11 (b))

1. Report on UNCTAD assistance to the Palestinian people

77. The "Report on UNCTAD assistance to the Palestinian people: Developments in the economy of the occupied Palestinian territory" (TD/B/58/4) was presented by the secretariat. Fifteen delegations, including four groups, made statements. There was almost unanimous commendation for the secretariat's important and effective support to the Palestinian people and their State-building efforts. It was stressed that

adequate resources were required to intensify UNCTAD's assistance to the Palestinian people.

78. Most delegations shared the Report's assessment of recent economic developments in the occupied Palestinian territory (OPT). They expressed concern with the impact of the Israeli closure policy, Separation Barrier, blockade of Gaza, restrictions on the mobility of Palestinian people and goods, loss of natural and productive resources, high poverty and unemployment, lack of food security, dependence on the Israeli economy, fragile fiscal position, weakened private sector, technological regression, and agricultural and industrial decline. Delegations called for action to address these challenges.

79. Some delegations expressed concern with Israel's control of two thirds, and delay of transfers, of Palestinian public revenue and its potential to destabilize the economy. Some delegations commended UNCTAD for assessing the Palestinian economic loss as a result of lost revenue caused by "indirect imports" from Israel. Delegations agreed that the revenue clearance arrangement between Israel and the Palestinian Authority (PA) needed to be reconsidered.

80. The delegation of Israel said that this work programme should not be singled out for consideration, and that UNCTAD's report was biased, inaccurate, politicized, and based on misinterpretation of data. The delegation referred to article 100 of the United Nations Charter. The delegation added that, according to estimates by the Bank of Israel, the annual PA fiscal loss from "indirect imports" was less than UNCTAD's estimate. The secretariat acknowledged receiving a letter from the Bank of Israel, which did not dispute the Palestinian fiscal loss because of "indirect imports", but stressed that its magnitude was lower than UNCTAD's estimate. The secretariat welcomed the engagement of the Bank of Israel, encouraged the concerned parties to re-examine the issue of Palestinian fiscal revenue from imports, and offered its readiness to provide technical support in this regard.

81. Some delegations called for reintegrating East Jerusalem into the economy of the OPT by removing all barriers to trade and movement, addressing the inequality between Palestinians of East Jerusalem and Jewish Israelis citizens, putting an end to the occupation policies that change the geography and characteristic of the city, and stopping the construction of settlements and the Separation Barrier.

82. Some delegations called for ending occupation to allow economic development and the establishment of an independent Palestinian State with Jerusalem as its capital. The delegation of Palestine said that some had raised the question, "Why do we have a programme on Palestine?" He affirmed that there would be no need for this programme when the occupation ended.

2. Report of the independent evaluator on UNCTAD programme of assistance to the Palestinian people and the management response

83. The Board considered the "Report of the independent evaluator on UNCTAD's programme of assistance to the Palestinian people" (TD/B/58/6) and the "Management response to the report of the independent evaluator on UNCTAD's programme of assistance to the Palestinian people" (TD/B/58/CRP.2). Interventions were made by 16 delegations, including 3 groups.

84. The external evaluator expressed appreciation for the cooperation extended to him. He described the methodology employed, his findings, conclusions and recommendations.

85. The UNCTAD secretariat commended the evaluator for his relevant recommendations, but flagged that their implementation would be resource-contingent. The secretariat requested the Board's guidance on the way ahead.

86. Most delegations expressed their appreciation to the evaluator for his thorough report, and Norway for funding the evaluation.

87. Most delegations were encouraged by the evaluation's findings that UNCTAD's Assistance to the Palestinian People Unit (APPU) had achieved positive results despite the adverse field conditions. Some delegations expressed appreciation for the collaboration between the PA and Israel with regards to the Automated SYstem for CUstoms DAta (ASYCUDA) programme and the Palestinian Shippers' Council project.

88. A regional group delegation was encouraged by the finding that UNCTAD's analytical work enabled more informed choices on policy issues and development strategies. Another group representative requested UNCTAD to improve its engagement and responsiveness, and strengthen local partnerships.

89. Some delegations regretted that occupation of the Palestinian territory remained as an obstacle to the development of the Palestinian economy.

90. Many delegations reaffirmed their support to the APPU and called for the strengthening of the programme with adequate resources to intensify ongoing interventions and develop new activities. Three delegations noted that this support was needed towards creating the conditions conducive to state-building, in accordance with the Accra Accord mandate.

91. One delegation highlighted the limited resource availability to the APPU and the absence of field presence as a challenge to enhancing UNCTAD's assistance to the Palestinian people. Another group delegation indicated that this required securing long-term funding for the third professional post in the APPU.

92. A number of national and group delegations expressed a yearning for constructive engagement and efforts towards a successful conclusion that reinforced UNCTAD's work.

93. Thereafter, a procedural discussion followed on the desired outcome of this agenda item. Five national delegations considered it sufficient for the Board to take note of the evaluation report, as reflected in the Chair's summary, while three regional groups noted the procedural requirement to have agreed conclusions for technical cooperation item. As a result of informal consultations, draft agreed conclusions were tabled for the consideration of delegations and were subsequently adopted by the Board.

III. Procedural and related matters

A. Opening of the session

94. The fifty-eighth session of the Trade and Development Board was opened on 12 September 2011 by Mr. Luis Manuel Piantini Munnigh (Dominican Republic), President of the Board at its fifty-seventh session.

B. Election of officers

(Agenda item 1)

95. At its 1071st (opening) plenary meeting, the Board elected Mr. Mothae Anthony Maruping (Lesotho) President of the Board at its fifty-eighth session.

96. The Board completed the election of officers to serve on the Bureau of the Board at its fifty-eighth session by electing 10 vice-presidents and the Rapporteur. Accordingly, the elected Bureau was as follows:

President:	Mr. Mothae Anthony Maruping (Lesotho)
Vice-presidents:	Ms. Tamara Kunanayakam (Sri Lanka)
	Mr. Ibrahim Saied Mohamed Al-Adoofi (Yemen)
	Mr. Darlington Mwape (Zambia)
	Mr. Murad Najafbayli (Azerbaijan)
	Mr. Vassily Nebenzia (Russian Federation)
	Mr. Marcelo Della Nina (Brazil)
	Mr. Douglas Griffiths (United States)
	Mr. Wolfgang Rechenhofer (Germany)
	Mr. Patrick Van Gheel (Belgium)
	Mr. Atsuyuki Oike (Japan)
Rapporteur:	Ms. Martha Moreno (Paraguay)

97. Following established practice, the Board agreed that the regional coordinators and China, as well as the chairs of the sessional committees, would be fully associated with the work of the Bureau of the Board.

C. Adoption of the agenda and organization of the work of the session

(Agenda item 2)

98. At its opening plenary meeting, the Board adopted the provisional agenda for the session contained in TD/B/58/1 (see annex I).

99. The following officers were elected to serve on the Bureau of Sessional Committee I to consider agenda item 5, "Implementation of the outcome from LDC-IV: UNCTAD's contribution":

Chair: Mr. Wolfgang Rechenhofer (Germany)

Vice-Chair-cum-Rapporteur: Mr. Leulseged Tadese Abebe (Ethiopia)

100. The following officers were elected to serve on the Bureau of Sessional Committee II to consider agenda item 6, "Economic development in Africa: Fostering industrial development in Africa in the new global environment":

Chair: Mr. Darlington Mwape (Zambia)

Vice-Chair-cum-Rapporteur: Ms. Rina Soemarno (Indonesia)

D. Review of the lists of States contained in the annex to General Assembly resolution 1995 (XIX)

(Agenda item 15 (f))

101. The membership is reflected in document TD/B/INF.222. There were no new applications.

Annex I

Agenda for the fifty-eighth session of the Trade and Development Board

1. Election of officers
2. Adoption of the agenda and organization of the work of the session
3. High-level segment: Volatile capital flows and development
4. Interdependence: Addressing trade and development challenges and opportunities after the global economic and financial crisis
5. Implementation of the outcome from LDC-IV: UNCTAD's contribution
6. Economic development in Africa: Fostering industrial development in Africa in the new global environment
7. Evolution of the international trading system and of international trade from a development perspective
8. Development strategies in a globalized world: A new role for the government and fiscal policy
9. Investment for development: Implications of non-equity forms of transnational corporations' operations
10. UNCTAD's contribution to the implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic and social fields
11. Technical cooperation activities
    (a) Review of the technical cooperation activities of UNCTAD
    (b) Report on UNCTAD assistance to the Palestinian people
12. Preparatory process for the thirteenth session of the Conference
    (a) Establishment of the Preparatory Committee
    (b) Approval of the provisional agenda of the Conference
13. Other matters in the field of trade and development
    (a) Progressive development of the law of international trade: Forty-fourth annual report of the United Nations Commission on International Trade Law
    (b) Report of the Joint Advisory Group on the International Trade Centre UNCTAD/WTO
14. Report of the Working Party on the Strategic Framework and the Programme Budget
15. Institutional, organizational, administrative and related matters
    (a) Report by the President of the Advisory Body set up in accordance with paragraph 166 of the Bangkok Plan of Action on the implementation of

courses by the secretariat in 2010-2011 and their relevant impact; and the appointment of members of the Advisory Body for 2012

(b) Designation of intergovernmental bodies for the purposes of rule 76 of the rules of procedure of the Board

(c) Designation of non-governmental organizations for the purposes of rule 77 of the rules of procedure of the Board

(d) Review of the calendar of meetings

(e) Membership of the Working Party for 2012

(f) Review of the lists of States contained in the annex to General Assembly resolution 1995 (XIX)

(g) Administrative and financial implications of the actions of the Board

16. Adoption of the report on credentials

17. Provisional agenda for the fifty-ninth session of the Board

18. Other business

19. Adoption of the report

Annex II

Attendance[2]

1. Representatives of the following States members of the Trade and Development Board attended the session:

Afghanistan
Algeria
Angola
Argentina
Austria
Azerbaijan
Bahrain
Bangladesh
Barbados
Belarus
Belgium
Benin
Bhutan
Botswana
Brazil
Burkina Faso
Burundi
Cambodia
Cameroon
Cape Verde
Chad
Chile
China
Colombia
Côte d'Ivoire
Croatia
Cuba
Cyprus
Czech Republic
Democratic Republic of the Congo
Djibouti
Dominican Republic
Ecuador
Egypt
El Salvador
Estonia
Ethiopia
Finland
France
Germany
Ghana
Greece
Haiti
Honduras
Holy See
Hungary
India
Indonesia
Iran (Islamic Republic of)
Iraq
Ireland
Israel
Italy
Japan
Jordan
Kazakhstan
Kenya
Kuwait
Lesotho
Lithuania
Malaysia
Malta
Mauritania
Mauritius
Mexico
Moldova (Republic of)
Morocco
Mongolia
Mozambique
Myanmar
Namibia
Nepal
Nigeria
Norway
Paraguay
Peru

[2] For the list of participants, see TD/B/58/Inf.1.

Philippines
Poland
Republic of Korea
Romania
Russian Federation
Rwanda
Saudi Arabia
Senegal
Serbia
Singapore
South Africa
Spain
Sudan
Swaziland
Switzerland
Syrian Arab Republic
Thailand
The former Yugoslav Republic of Macedonia
Tunisia
Turkey
United Arab Emirates
United Kingdom
United States of America
Uruguay
Viet Nam
Venezuela (Bolivarian Republic of)
Yemen
Zambia
Zimbabwe

2. The following observer attended the session:

Palestine

3. The following intergovernmental organizations were represented at the session:

African, Caribbean and Pacific Group of States

African Union

European Union

Organisation of Eastern Caribbean States

Pacific Islands Forum

4. The following United Nations organizations were represented at the session:

Economic Commission for Africa

Economic and Social Commission for Asia and the Pacific

International Trade Centre

5. The following specialized agencies and related organizations were represented at the session:

International Monetary Fund

United Nations Educational, Scientific and Cultural Organization

United Nations Industrial Development Organization

World Bank

World Trade Organization

6. The following non-governmental organizations were represented at the session:

General category

Civil Society Coalition

Development Innovations and Networks (Innovations et réseaux pour le développement)

Ingénieurs du monde

Global Traders Conference

Village Suisse (VSONG)

NGO accredited

CUTS

7. The following panellists participated in the session:

Mr. Carlos Márcio **Bicalho Cozendey**, Secretary for International Affairs, Ministry of Finance, Brazil

Mr. Gilbert **Terrier**, Deputy Director of the IMF Western Hemisphere Department

Mr. Sergio **Chodos**, Director, Central Bank of Argentina

Mr. Michel **Aglietta**, University of Paris Sorbonne

Mr. Sergio **Chodos**, Director of the Central Bank of Argentina

Mr. Zia **Qureshi**, Senior Adviser in the Office of the Chief Economist and Senior Vice President of the World Bank

Mr. Abhijit **Sen**, Member, Planning Commission, Government of India

Mr. Pascal **Lamy**, Director-General, WTO

Ms. Mabaitsi **Motsamai**, Director of Industry, Ministry of Trade and Industry, Cooperatives and Marketing, Kingdom of Lesotho

Mr. Ludovico **Alcorta**, Director, Development Policy, Statistics and Research Branch, UNIDO

Mr. Franklyn **Lisk**, Centre for the Study of Globalization and Regionalism, University of Warwick, United Kingdom

Mr. Getnet **Alemu**, Editor-in-Chief, Ethiopian Economics Association, Addis Ababa, Ethiopia

Mr. Cheick **Sidi Diarra**, Under-Secretary-General and High Representative, OHRLLS

Mr. Denish **Bhattarai**, Ambassador, Permanent Mission of Nepal and Coordinator of LDCs in Geneva

Mr. Cristino L. **Panlilio**, Undersecretary at the Ministry of Trade and Industry, Philippines

Mr. Hugo **Sigman**, President of Chemo Group, Argentina

Ms. Harriet **Lamb**, Executive Director of the Fair Trade Foundation, United Kingdom

Mr. Mark **Casson**, Professor of International Business, University of Reading, United Kingdom